

MEMORANDUM

TO: Members, Public Disclosure Commission

FROM: Philip E. Stutzman, Director of Compliance

DATE: February 14, 2006

SUBJECT: Status of Compliance Cases

Enclosed is an update of all compliance activity since my last memo to you dated January 13, 2006. If you would like additional information, please let me know.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Active Investigations

Investigations In Progress

Young, Robert “Bob”–Case #06-240; Investigator: Kurt Young

Date Received: September 8, 2005

Date Started: September 13, 2005

Section of Law: RCW 42.17.125

Status: Under Investigation

Summary: A complaint was received from John Merrell alleging that Robert “Bob” Young, Mayor of Bonney Lake, claimed payment from campaign funds for lost wages during May, June and July 2005 when he was not entitled to such payments, in violation of RCW 42.17.125.

Disposition: Pending

No Utility Tax in Edgewood–Case #06-243; Investigator: Randy Unruh

Date Received: September 14, 2005

Date Started: October 17, 2005

Section of Law: RCW 42.17.040, .080 & .090

Status: Under Investigation

Summary: A complaint was received from John Powers alleging that an entity, No Utility Tax in Edgewood, failed to register and report contribution and expenditure activities as a political committee supporting a local ballot proposition for the May 17, 2005 election.

Disposition: Pending

Pasiero-Davis, Sandra–Case #06-245; Investigator: Randy Unruh

Date Received: September 21, 2005

Date Started: October 19, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Rachel Ruelas alleging that Sandra Pasiero-Davis used the public facilities of the Mabton School District to support a candidate for school director, an alleged violation of RCW 42.17.130.

Disposition: Pending

Lasch, Diane–Case #06-247; Investigator: Kurt Young

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Date Received: September 23, 2005

Date Started: October 19, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Ryan Bedford of the Evergreen Freedom Foundation alleging that Diane Lasch, a teacher with the Federal Way School District, used school district facilities to endorse and assist candidates for school board, an alleged violation of RCW 42.17.130.

Disposition: Pending

Steenrod, Maggie–Case #06-248; Investigator: Randy Unruh

Date Received: September 26, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Stan Scarvie alleging that Maggie Steenrod, a candidate for Des Moines City Council, failed to allow an examination of her campaign records during the open records inspection, and that Des Moines City Councilman Richard Benjamin, acting on her behalf denied Mr. Scarvie’s attempt to fully examine the records, an alleged violation of RCW 42.17.080.

Disposition: Pending

Wilson, Jim (Vashon Fire & Rescue District)-Case #06-249; Investigator: Randy Unruh

Date Received: September 26, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Rick Frye alleging a violation against Jim Wilson, Chief of the Vashon Island Fire and Rescue District, by using the public facilities of the fire district to further the campaign of SharonLee Nicholson, a Fire Commissioner candidate by featuring her in the district newsletter, a violation of RCW 42.17.130.

Disposition: Pending

Von Reichbauer, Peter–Case #06-252; Investigator: Kurt Young

Date Received: September 30, 2005

Date Started: October 20, 2005

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Section of Law: RCW 42.17.530(1)

Status: Under Investigation

Summary: A complaint was received from Darlin' Boudreau alleging that Peter Von Reichbauer, an incumbent King County Council member and a candidate for re-election in 2005, produced political advertising that contained photographs that falsely implied the support or endorsement of individuals featured with the candidate, an alleged violation of RCW 42.17.530

Disposition: Pending

Bashaw, Richard–Case #06-274; Investigator: Tony Perkins

Date Received: October 6, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from John Ladenburg alleging that Richard Bashaw, a candidate for Tacoma City Council, failed to timely file reports of contribution and expenditure activities undertaken by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

Madden, Thomas–Case #06-275; Investigator: Randy Unruh

Date Received: October 10, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from Linnea Peterson alleging that Thomas Madden, a candidate for Federal Way School Board, failed to report expenditures made by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

Thompson-Black, Linda Case #06-282: Jennifer Hansen

Date Received: October 27, 2005

Date Started: November 3, 2005

Section of Law: RCW 42.17.080, .090 & .105

Status: Under Investigation

Summary: A complaint was received from Fred Quarnstrom alleging that Linda Thompson Black, a candidate for Seattle School Board, failed to timely file reports disclosing contribution and expenditure activities, alleged violations of

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RCW 42.17.080 and .090, including a Last Minute Contribution Report, an alleged violation of RCW 42.17.105.

Disposition: Pending

Citizens for Open Government – Case #06-283: Jennifer Hansen

Date Received: November 1, 2005

Date Started: November 3, 2005

Section of Law: RCW 42.17.510(2)

Status: Under Investigation

Summary: A complaint was received from Margaret Soth alleging that Citizens for Open Government failed to include the proper sponsor identification on two postcards opposing Liz Loomis, a candidate for reelection in the City of Snohomish, when it failed to include the required “NOTICE TO VOTERS” language and a listing of its top five contributors for an independent expenditure, and alleged violation of RCW 42.17.510(2).

Disposition: Pending

Citizens for a Better Community – Case #06-286: Jennifer Hansen

Date Received: October 28, 2005

Date Started: November 3, 2005

Section of Law: RCW 42.17.510 & .550

Status: Under Investigation

Summary: A complaint was received from Jolie Imperatori alleging that Citizens for a Better Community (CBC), a local political committee, failed to have the complete sponsor identification on a mailer supporting three candidates for Sammamish City Council by including “NOTICE TO VOTERS” language and a listing of its top five contributors as required for an independent expenditure, an alleged violation of RCW 42.17.510(2), and that CBC failed to file a statement with King County elections disclosing the number of pieces along with an example of the piece, an alleged violation of RCW 42.17.550.

Disposition: Pending

Wightman, Art– Case #06-291: Kurt Young

Date Received: November 21, 2005

Date Started: November 21, 2005

Section of Law: RCW 42.17.080

Status: Under Investigation

Summary: A complaint was received from James T. Clark, alleging that Art Wightman, a candidate for School Director from North Mason School District,

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failed to make available his campaign books and records during the open records inspection period eight days before the general election, an alleged violation of RCW 42.17.080.

Disposition: Pending

Concerned Citizens of Union Gap – Case #06-294: Randy Unruh

Date Received: November 14, 2005

Date Started: December 7, 2005

Section of Law: RCW 42.17.040, .080, .090, .510, & .530

Status: Under Investigation

Summary: A complaint was filed by Patricia L. McDonald alleging violations of RCW 42.17. Ms. McDonald alleged that Concerned Citizens of Union Gap sponsored political advertising that contained a false statement of material fact about Patricia McDonald, an alleged violation of RCW 42.17.530(1)(a). This portion of the complaint has been placed on hold until the State Supreme Court has heard an appeal by the PDC of a Court of Appeals decision that ruled this section of law unconstitutional. In addition, the complaint alleged that the advertising failed to include a complete sponsor identification, including a mailing address for the sponsor, the requirement to include a statement of “NOTICE TO VOTERS” and “Top Five Contributors” an alleged violation of RCW 42.17.510. The complaint also alleged that Concerned Citizens of Union Gap is an unregistered political committee, an alleged violation of RCW 42.17.040, .080 and .090.

Disposition: Pending

Rehn, Lynn – Case #06-295: Kurt Young

Date Received: November 16, 2005

Date Started: December 8, 2005

Section of Law: RCW 42.17.080, .090, .510

Status: Under Investigation

Summary: A complaint was received from Scott Hamilton alleging violations of RCW 42.17. Mr. Hamilton alleged that Ms. Rehn failed to timely report contributions and expenditures, and failed to include complete sponsor identification on some of her political advertising, alleged violations of RCW 42.17.080, .090 and .510. The complaint also alleged that as of November 16, 2005, the last C-4 reports were filed September 6, 2005 and the last C-3 reports were filed October 27, 2005.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Setter, Mac – Case #06-297: Tony Perkins

Date Received: November 29, 2005

Date Started: December 13, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from William McCallum alleging that Mac D. Setter, a candidate for Whatcom County Superior Court Judge in 2004, failed to file reports disclosing contribution and expenditure activities undertaken by his campaign.

Disposition: Pending

Nelson, L. Ward--Case #06-299: Randy Unruh

Date Received: December 14, 2005

Date Started: December 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from William McCallum alleging that L. Ward Nelson, a candidate for Whatcom County Council, failed to file reports disclosing contribution and expenditure activities undertaken by his campaign.

Disposition: Pending

Better Community Solutions--Case #06-300: Randy Unruh

Date Received: December 14, 2005

Date Started: December 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from William McCallum alleging that Better Community Solutions, a local political committee registered with the PDC, failed to file reports disclosing contribution and expenditure activities

Disposition: Pending

Whatcom County Democratic Central Committee-Case #06-302: Randy Unruh

Date Received: January 3, 2006

Date Started: January 13, 2006

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from William McCallum alleging that Whatcom County Democratic Central Committee, a bona-fide political party

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

organization registered with the PDC, failed to file reports disclosing contribution and expenditure activities
Disposition: Pending

Ward, Yvonne–Case #05-394; Investigator: Kurt Young

Date Received: May 31, 2005

Date Started: June 17, 2005

Section of Law: RCW 42.17.530

Status: Under Investigation. (This complaint has been placed on hold until the State Supreme Court has heard an appeal by the PDC of a Court of Appeals decision that ruled this section of law unconstitutional.)

Summary: A complaint was received from Cheryl Marshall alleging that Yvonne Ward, a 2002 candidate for State Senate, sponsored, with actual malice, false statements of material fact against Pam Roach, a candidate for State Senate in 2002, an alleged violation of RCW 42.17.530.

Disposition: Pending

Hoboy, Loren–Case #06-238; Investigator: Tony Perkins

Date Received: August 30, 2005

Date Started: September 8, 2005

Section of Law: RCW 42.17.530

Status: Under Investigation. (This complaint has been placed on hold until the State Supreme Court has heard an appeal by the PDC of a Court of Appeals decision that ruled this section of law unconstitutional.)

Summary: A complaint was received from Pat Mooney alleging that Loren Hoboy produced political advertising in the form of a campaign e-mail that contains a false statement of material fact made about Pat Mooney, a candidate for Commissioner, Port of Anacortes, in violation of RCW 42.17.530.

Disposition: Pending

Initial Investigative Field Work Completed - Cases Under Review

Yes on Initiative 18 Committee-- Case #04-438; Investigator: Phil Stutzman

Date Received: February 13, 2004

Date Started: February 19, 2004

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Summary: A complaint was received from Steve Williamson, Executive Secretary of the King County Labor Council, AFL-CIO alleging that the Yes on Initiative 18 Committee (Yes on I-18), a political committee supporting a local ballot proposition in King County, failed to file C-3 and C-4 reports of contribution and expenditure activities, and alleging that Yes on I-18 failed to disclose a \$20,000 payment to Tim Eyman in exchange for services he performed in support of the initiative efforts.
Disposition: Pending

Washington State Grange--Case #04-450; Investigator: Suemary Trobaugh

Date Received: April 21, 2004

Date Started: April 22, 2004

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from Paul Berendt, Chair of the Washington State Democratic Central Committee (WSDCC), alleging that the Washington State Grange failed to report contribution and expenditure activities in support of a statewide ballot proposition.

Disposition: Pending

Sutherland, Doug—Case #05-079; Investigator: Randy Unruh

Date Received: September 27, 2004

Date Started: October 5, 2004

Section of Law: RCW 42.17.080, .090 & WAC 390-16-034

Status: Under Review

Summary: A complaint was received from Lisa McShane, Campaign Chair of Citizens Protecting Our Water and Forests, alleging that Doug Sutherland, the incumbent Public Lands Commissioner and a candidate for re-election, failed to disclose the occupation and employer information for individuals that contributed more than \$100 to his campaign, and that the campaign failed to report in-kind contributions for professional services provided to the campaign.

Disposition: Pending

Hope, Michael—Case #05-101; Investigator: Randy Unruh

Date Received: October 15, 2004

Date Started: October 28, 2004

Section of Law: RCW 42.17.640

Status: Under Review

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Summary: A complaint was received from Hans Dunshee, a candidate in the 44th Legislative District, alleging that Michael Hope, also a candidate in the 44th Legislative District accepted funds and attributed them for the primary election after the date allowed to receive primary contributions, and that Mr. Hope accepted contributions from affiliated or related entities that exceeded contribution limits.
Disposition: Pending

Washington State Trial Lawyers Association–Case #06-007; Investigator: Kurt Young

Date Received: August 15, 2005
Date Started: August 19, 2005
Section of Law: RCW 42.17.040, .080, 090
Status: Under Review

Summary: A complaint was received from Andres Dolan alleging that the Washington State Trial Lawyers Association (WSTLA) has increased the dues of its members in order to make contributions to support Initiative 336 and to oppose Initiative 330, and that WSTLA has failed to report its activities as a political committee, an alleged violation of RCW 42.17.040, .080 and .090.
Disposition: Pending

Puyallup School District Officials (Rudy Fyles, Tom Riedel and Leonard Cassman)–Case #06-244; Investigator: Kurt Young

Date Received: September 14, 2005
Date Started: October 18, 2005
Section of Law: RCW 42.17.130
Status: Under Review

Summary: A complaint was received from Paul Burr alleging that officials of the Puyallup School District, Rudy Fyles, Tom Riedel and Leonard Cassman, used the public facilities of the school district to support passage of a \$200 million bond issue that came before the voters in February 2004, an alleged violation of RCW 42.17.130.
Disposition: Pending

Progress Shoreline–Case #06-246; Investigator: Randy Unruh

Date Received: September 27, 2005
Date Started: October 19, 2005
Section of Law: RCW 42.17.080 & .090
Status: Under Review

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Summary: Two complaints were filed by Andrew Mascott and Brian McCulloch alleging that Progress Shoreline, a political committee, failed to timely report contribution and expenditure activities.

Disposition: Pending

Oberst, James--Case #06-253; Investigator: Kurt Young

Date Received: October 3, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Under Review

Summary: A complaint was received from Jeffrey P. Wainwright alleging that James Oberst, a candidate for Fire Commissioner, mailed out a campaign flyer that contained a picture of him wearing a Spokane County Fire District 8 uniform, an alleged violation of RCW 42.17.130.

Disposition: Pending

Johnson, Norman--Case #06-276; Investigator: Tony Perkins

Date Received: October 10, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: Two complaints were received from Ron Bonlender and Julie Bresson alleging that Norman Johnson, a candidate for Yakima City Council, failed to report contribution and expenditure activities undertaken by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

Donyes, Melvain--Case #06-278; Investigator: Randy Unruh

Date Received: October 17, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from Dan Swatman alleging that Melvain Donyes, a candidate for Bonney Lake City Council, failed to timely file reports of contribution and expenditure activities undertaken by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

IAFF Local 2099 (Bothell Firefighters Association) – Case #06-284: Tony Perkins

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Date Received: October 31, 2005

Date Started: November 3, 2005

Section of Law: RCW 42.17.040, .080, .090 & .130

Status: Under Review

Summary: A complaint was received from William Moritz alleging that the International Association of Fire Fighters (IAFF) Local 2099 used their “Segregated Fund” to make political contributions without registering and reporting activities from this fund as a political committee, an alleged violation of RCW 42.17.040, .080 and .090, and that the Bothell Fire Department used the public facilities of the fire department to support the work of this political committee, an alleged violation of RCW 42.17.130.

Disposition: Pending

Coggan, Randy, Fire Chief, Grays Harbor Fire District #5--Case #06-285: Randy Unruh

Date Received: November 2, 2005

Date Started: November 17, 2005

Section of Law: RCW 42.17.130

Status: Under Review

Summary: A complaint was received from Gerald Bailey alleging that Fire Chief Randy Coggan and other Fire District officials used fire district supplies and equipment to oppose a candidate for Fire Commissioner in the 2005 election cycle, an alleged violation of RCW 42.17.130.

Disposition: Pending

Moritz, William – Case #06-288: Randy Unruh

Date Received: November 4, 2005

Date Started: November 17, 2005

Section of Law: RCW 42.17.040, .130 & .3691

Status: Under Review

Summary: A complaint was received from Tim Olsen alleging that William Moritz, a candidate for Bothell City Council, failed to file campaign contribution and expenditure reports electronically, an alleged violation of RCW 42.17.3691, that he failed to timely file a Candidate Registration Statement (PDC Form C-1), an alleged violation of RCW 42.17.040, and that he used the public facilities of the City of Bothell to announce his candidacy during a televised Bothell Parks and Recreation Board meeting as an incumbent Parks Board member, an alleged violation of RCW 42.17.130.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Amundson, Angela – Case #06-289: Kurt Young

Date Received: November 7, 2005

Date Started: November 21, 2005

Section of Law: RCW 42.17.080

Status: Under Review

Summary: A complaint was received from Michael Jones alleging that Angela Amundson, a candidate for Mountlake Terrace City Council, delayed beyond a reasonable amount of time access to Ms. Amundson’s books and records during the open records inspection period eight days before the general election, and that the books and records were inaccurate and did not contain all campaign activities, both alleged violations of RCW 42.17.080.

Disposition: Pending

Jacobson, Shirley (Clean Water Health Advocates) – Case #06-290: Tony Perkins

Date Received: November 7, 2005

Date Started: November 21, 2005

Section of Law: RCW 42.17.510

Status: Under Review

Summary: A complaint was received from Curtis Smith Co-Chair of Bellingham Families for Fluoride, alleging that an entity called Clean Water Health Advocates sponsored political advertising without including an address, an alleged violation of RCW 42.17.510. However, the advertisement was reported as an independent expenditure by Shirley Jacobson.

Disposition: Pending

Wirrick, Steve – Case #06-296: Kurt Young

Date Received: November 16, 2005

Date Started: December 8, 2005

Section of Law: RCW 42.17.080, .090, .510

Status: Under Review

Summary: A complaint was received from Scott Hamilton alleging violations of RCW 42.17. Mr. Hamilton alleged that Ms. Rehn failed to timely report contributions and expenditures, and failed to include complete sponsor identification on some of her political advertising, alleged violations of RCW 42.17.080, .090 and .510. The complaint also alleged that as of November 16, 2005, the last C-4 reports were filed September 6, 2005 and the last C-3 reports were filed October 27, 2005.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Irons, Jr., David-Case #06-298: Tony Perkins

Date Received: December 5, 2005

Date Started: December 14, 2005

Section of Law: RCW 42.17.060

Status: Under Review

Summary: A complaint was received from Stephen Finley alleging that David Irons Jr., a candidate for King County Executive, failed to deposit contributions within five business days of receipt on numerous occasions during 2005.

Disposition: Pending

Cases Referred To Attorney General For Further Action

TME Capital Group and its Investors; and Environmental Materials Transport, LLC and Hank Hopkins--Case #04-445; Investigator: Sally Parker

Date Received: April 5, 2004

Date Started: April 5, 2004

Section of Law: RCW 42.17.040, .080, .090, .105, 120,780

Status: Investigation Complete

Summary: A PDC staff generated complaint was filed by PDC Executive Director Vicki Rippie, after PDC staff noted, while assisting the Attorney General's Office following referral of Case No. 03-153 by the Commission to the Attorney General's office, that TME Capital Group, LLC (TME) and its investors (Elling Halvorson, Catherine Boshaw, Doug Edlund, John Taylor, Lon Halvorson, E. Kent Halvorson, Tim Teteak and David Chevalier) may have violated the following: 1) RCW 42.17.040 through 42.17.090 by failing to register and report as a political committee when TME and its investors raised and spent funds to support candidates; 2) RCW 42.17.105(8) by making contributions to another political committee exceeding \$5,000 with 21 days of the 2001 general election; 3) RCW 42.17.780 by reimbursing \$19,000 to Monarch Enterprises for contributions made to a political committee that supported candidates in the 2001 general election; and 4) RCW 42.17.120 by concealing the source of the contributions received and expenditures made to support Des Moines City Council candidates.

Disposition: Following a report to the Commission on June 23, 2005, the Commission reported (1) multiple apparent violations of RCW 42.17.040 through .090, .120, .105(8) and .780 by TME Capital Group and its investors; and (2) multiple apparent violations of RCW 42.17.040 through .090 and .105(8) by

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Environmental Materials LLC and Hank Hopkins to the Office of the Attorney General with a recommendation to institute legal proceedings.

Washington Education Association—Case #01-002; Investigator: Lori Anderson

Date Received: August 15, 2000

Date Started: August 18, 2000

Section of Law: RCW 42.17.760

Status: Investigation Complete

Summary: A complaint was received from the Evergreen Freedom Foundation and public school employees alleging that the Washington Education Association (WEA) and Washington School Districts are in violation of RCW 42.17.680 and 42.17.760. The complaint alleges that Washington School Districts are in violation of RCW 42.17.680 by withholding dues and fees from employees' wages that are used by the WEA and the National Education Association (NEA) for contributions to political campaigns. The complaint also alleges that the WEA is violating RCW 42.17.760 by using agency shop fees for political contributions and expenditures without the affirmative authorization of non-members. The complaint was forwarded to the PDC by the Attorney General's Office following its receipt of the complaint from EFF. The complaint was filed with the Attorney General's Office and all County Prosecuting Attorneys requesting that an action be commenced in the courts to address the apparent violations of RCW 42.17. The complaint said that if an action were not commenced in court the complainant would seek appropriate legal and equitable relief pursuant to RCW 42.17. RCW 42.17.400(4) provides a 45-day time period before a complainant may take steps to initiate a citizen's action in superior court.

Disposition: The Commission accepted a Stipulation of Facts, Violations and Recommendations, found that the Respondent committed an apparent violation of RCW 42.17.760, stipulated to as actual violations, and referred the matter to the Attorney General's Office.

Thurston County Superior Court Disposition: The Attorney General's Office filed suit in Thurston County, and the case went to trial in Thurston County Superior Court. The Thurston County Superior Court found the Respondent intentionally violated RCW 42.17.760, and assessed a total civil penalty of \$400,000. The Washington Education Association has appealed that decision.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman—Case #02-281; Investigator: Kurt Young; (Also received 45-Day Letter of Complaint)

Date Received: February 6, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.080, .090, .120, & .125

Status: Investigation Complete

Summary: A complaint was filed by PDC Executive Director Vicki Rippie against Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman alleging the following: 1) failure to properly report committee expenditures, including the purpose of those expenditures; 2) concealing the fact that committee funds were expended to pay Mr. Eyman for compensation for the work he performed on behalf of Permanent Offense; 3) use of committee funds to pay for Mr. Eyman’s personal expenses. In addition, a “45-day letter of complaint” was filed by Richard A. Smith and Knoll Lowney, attorneys with Smith & Lowney, PLLC, representing Permanently Offended, with the Office of the Attorney General and the County Prosecutor’s Offices in King, Snohomish and Thurston counties against Permanent Offense, Permanent Offense, Inc., Traffic Improvement Initiative, Tim Eyman, Karen Eyman, and Suzanne Karr alleging violations similar to those outlined in the PDC complaint.

Disposition: A report to the Commission was presented at its special April 9, Commission meeting. The Commission found that the Respondent committed multiple apparent violations and referred the matter to the Attorney General’s Office.

National Education Association—Case #02-282; Investigator: Suemary Trobaugh; (45-Day Letter of Complaint)

Date Received: January 31, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.040, .080, .090, .680 and .760

Status: Investigation Complete

Summary: On January 31, 2002, the Evergreen Freedom Foundation, Lowell Johnson, Carrie Riplinger, Susan Kobes and David Williams, through attorney Jeanne Brown filed a citizen’s action letter under RCW 42.17.400(4) with the Office of the Attorney General and the State of Washington’s County Prosecutors’ Offices. The complaint alleged violations by the NEA’s Ballot Measure/Legislative Crisis and Media Campaign Fund of 1) RCW 42.17.040 et. seq (failure to register as a political committee); 2) violations of RCW

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42.17.680(3) (diverting a portion of an employee's wages or salaries for contributions to political committees without the written request of the employee); and 3) violations of RCW 42.17.760 (using agency shop fees paid by non members to influence an election without written authorization by the Individual). On February 6, 2002, the Office of the Attorney General officially notified the PDC that they were referring the matter to the PDC for investigation. PDC Staff completed a Preliminary Report of Investigation and prepared a memorandum to Commission members concerning Staff's findings and recommendation.

Disposition: On April 9, 2002, the matter was on the Commission's agenda as a report to the Commission. In light of the complaint the Evergreen Freedom Foundation filed against the NEA in Thurston County Superior Court on April 8, 2002 under provisions of RCW 42.17.400(4), the Commission accepted Staff's recommendation that it take no action in this case. On August 23, 2002, Thurston County Superior Court Judge Paula Casey dismissed the lawsuit filed by EFF against NEA. Judge Casey's dismissal was based on a decision by the WA State Court of Appeals in State ex rel. Evergreen Freedom Foundation v Washington Education Association, No. 25272-4-II, where the court stated that “Before the 10-day period¹ had passed after EFF's second letter to the AG, the AG forwarded the allegations to the PDC for investigation...Because the AG acted before the end of the 10-day period, EFF could not bring a citizen's action lawsuit under RCW 42.17.400...” By a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680.

On October 2, 2002, at a special Commission meeting, by a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680. By a unanimous vote, the Commission found multiple apparent violations of RCW 42.17.760 by the NEA when it used agency shop fees to make contributions or expenditures to influence an election or to operate a political committee without authorization from the employees. The Commission found that given the insufficiency of its penalty authority, in lieu of holding an enforcement hearing, the Commission referred the above referenced apparent violations to the Washington State Attorney General's Office for appropriate action pursuant to RCW 42.17.360 and .395 and WAC 390-37-100.

¹ RCW 42.17.400 states: “The citizen action may be brought only if the attorney general...ha(s) failed to commence an action hereunder within forty-five days and after such notice and such person has thereafter further notified the attorney general...that said person will commence a citizen's action within ten days upon their failure to do so...”

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Hopkins, Hank/Environmental Materials Transport, LLC--Case #03-153;

Investigator: Sally Parker

Date Received: April 15, 2002

Date Started: April 19, 2002

Section of Law: RCW 42.17.105 & .120

Status: Investigation Complete

Summary: This case is related to PDC Case No. 02-296. Hank Hopkins as President of Environmental Materials Transport, LLC (EMTLLC) was added as a respondent by PDC staff alleging that Mr. Hopkins made contributions in excess of \$5,000 within 21 days of the 2001 general election by contributing \$20,000 to Don Wasson's political committee to support Des Moines City Council candidates Petersen, Benjamin and Steenrod. It was further alleged that Mr. Hopkins and EMT LLC concealed the source and amount of an initial \$1,000 payment that was made to Don Wasson and his political committee to support the campaigns of Gary Petersen and Richard Benjamin. In addition, it is also alleged that Mr. Hopkins and EMT LLC concealed the source and amount of contributions that were made to Mr. Wasson's political committee totaling \$20,000 that also supported the 2001 Council campaigns of Mr. Petersen, Mr. Benjamin, and Ms. Steenrod.

Disposition: An Enforcement hearing before the Full Commission was held on March 25, 2003. The Commission found multiple apparent violations of RCW 42.17.120 by the Respondents for concealing contributions used to benefit candidates in the 2001 Des Moines City Council election. Given the insufficiency of its penalty authority, the Commission referred the apparent violations to the Attorney General's Office for appropriate action.

Voters Education Committee--#05-027; Investigator: Phil Stutzman

Date Received: September 9, 2004

Date Started: September 9, 2004

Section of Law: RCW 42.17.040, .080, .090 & .120

Status: Investigation Complete

Summary: The Public Disclosure Commission staff became aware that on or about September 2, 2004, advertisements began to be broadcast on television stations around Washington State that were identified as being paid for by Voters Education Committee (VEC). The ads concerned Deborah Senn, a candidate for Attorney General, who was on the September 14, 2004 primary election ballot. The Voters Education Committee had filed as a Section 527 organization with the Internal Revenue Service listing its purpose as “a non-partician (sic), non-profit,

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non-discriminatory, political action committee which provides issue education.” PDC staff reviewed the advertisement, to determine whether the content of the advertisement constituted “issue advocacy” as claimed by VEC, or if it constituted “express advocacy” as contemplated by the Washington Supreme Court. PDC staff believed the advertisement, taken as a whole, represented an assault on Ms. Senn’s character because the content went beyond taking issue with Ms. Senn’s actions as Insurance Commissioner, and assailed her integrity and credibility. That activity made VEC and its agents a political committee under state law and required them to register and file detailed reports of contributions received and expenditures made with the Public Disclosure Commission.

Disposition: This matter was presented as a report to the Commission on September 25, 2004, at a special Commission meeting. The Commission found apparent violations by VEC of RCW 42.17.040 for failing to timely register as a political committee, 42.17.080 and 42.17.090 for failing to file detailed reports disclosing contribution and expenditure activities, and RCW 42.17.120 for concealing the amount and identity of the source(s) of their contributions and the amount and recipients of their expenditures. The Commission referred this matter to the Washington State Attorney General's Office for appropriate action, including seeking a court order compelling Voters Education Committee to file the disclosure reports required by RCW 42.17.040 through 42.17.090.

Investigations Completed

Cases Closed

The following cases were closed as a result of enforcement hearings: (Respondents may appeal the results of enforcement hearings. For the results of appeals, see “Compliance” and “Results of Enforcement” on the PDC’s home page at www.pdc.wa.gov)

Full Enforcement Hearings:

Federici, Nick-Case #06-301: Kurt Young

Date Received: December 27, 2005

Date Started: December 27, 2005

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Section of Law: RCW 42.17.150 & .170

Status: Investigation Complete

Summary: A PDC staff generated complaint was filed by Vicki Rippie, PDC Executive Director, alleging that Nick Federici, a registered lobbyist, failed to timely file Lobbyist Registration Statements (PDC Form L-1) for employers that contracted for his lobbying services during 2005, and that he failed to timely disclose his compensation and other lobbying expenses on his Monthly Lobbyist Expense Reports (PDC Form L-2).

Disposition: An enforcement hearing was held on January 23, 2006, at the special Commission meeting. A Stipulation of Facts and Violations was entered into between both parties and accepted by the Commission, stating that Mr. Federici violated on multiple occasions: 1) RCW 42.17.150 by failing to timely file Lobbyist Registration Statements (PDC Form L-1) for clients under contract during the 2005 Legislative Session; and 2) RCW 42.17.170 by failing to timely file and disclose compensation and other lobbying expenses on his Monthly Lobbyist Expense Reports (PDC Form L-2). The Commission assessed Mr. Federici a civil penalty of \$2,500. In addition, the Commission stated that if Mr. Federici is found in violation by the Commission of any provision of RCW 42.17.150 through .230 within two years from the date of the Order, his lobbyist registration(s) will be suspended for a period of four months.

Reports to Commission:

None.

Brief Enforcement Hearings: For the results of “Group Enforcement” brief enforcement hearings, other than from investigations, see “Compliance” and “Results of Enforcement” on the PDC’s home page at www.pdc.wa.gov)

None.

The following cases were dismissed with the concurrence of the chair during this period: (The full text of the dismissal letters issued can be viewed at www.pdc.wa.gov. Click on “Compliance” and “Dismissal of Complaints.”)

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Snohomish Health District--Case #05-096; Investigator: Tony Perkins

Date Received: August 15, 2004

Date Started: August 20, 2004

Section of Law: RCW 42.17.130 & .190

Status: Investigation Complete

Summary: A complaint was received from Norm Kiono alleging that officials of the Snohomish County Health District used county facilities to support a statewide ballot proposition, Initiative 890, and also used the facilities to allegedly support an initiative to the Washington State Legislature, Initiative 332.

Disposition: Dismissed with the concurrence of the chair.

Republican Governor's Association & Republican Governor's Association WA ST PAC—Case #05-100; Investigator: Randy Unruh

Date Received: October 14, 2004

Date Started: October 27, 2004

Section of Law: RCW 42.17.080, .090 & .510

Status: Investigation Complete

Summary: A complaint was received from Paul Berendt, Chair of the Washington State Democratic Central Committee (WSDCC), alleging that the Republican Governor's Association (RGA) is an unregistered political committee that failed to register and report with the Public Disclosure Commission. The complaint also alleges that ads sponsored by Republican Governor's Association Washington PAC, were in fact sponsored by Republican Governor's Association, and that the RGA should be required to register and report as a political committee, and that it should list the top five contributors to it on broadcast political advertisements sponsored by the RGA PAC.

Disposition: Dismissed with the concurrence of the chair.

Republican State Leadership Committee (RSLC) –Case #05-107; Investigator: Randy Unruh

Date Received: October 21, 2004

Date Started: October 29, 2004

Section of Law: RCW 42.17.093

Status: Investigation Complete

Summary: A complaint was received from C. Steven Fury on behalf of the Deborah Senn campaign alleging that the Republican State Leadership Committee (RSLC) filed two C-5 reports without listing contributors that are a corporation which has a place of business in the state of Washington that contributed more

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than \$25 during the current calendar year. The RSLC gave \$1,265,000 to its related PAC named “Republican State Leadership Committee Washington PAC” that is registered with the PDC and filed a C-1, C-3 and C-6. The reports disclosed that the group will spend money opposing Deborah Senn.

Disposition: Dismissed with the concurrence of the chair.

Metro Parks Tacoma--Case #06-277; Investigator: Tony Perkins

Date Received: October 12, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Investigation Complete

Summary: A complaint was received from Whil P. Basea alleging that officials of Metro Parks Tacoma, a public agency, used the facilities to support Park Board Commissioner Victoria Woodards’ campaign for re-election in 2005, alleged violations of RCW 42.17.130.

Disposition: Dismissed with the concurrence of the chair.

**Stuart, Steve and City of Vancouver/Clark County Television (CVTV) Officials:
Case #06-281 Tony Perkins**

Date Received: October 21, 2005

Date Started: November 3, 2005

Section of Law: RCW 42.17.130

Status: Investigation Complete

Summary: A complaint was received from Margaret Tweet alleging that CVTV featured in a segment incumbent Clark County Commissioner Steve Stuart during the month of October preceding the November 8, 2005 election, in violation of RCW 42.17.130.

Disposition: Dismissed with the concurrence of the chair.

Hansen, Ron – Case #06-287: Jennifer Hansen

Date Received: November 3, 2005

Date Started: November 17, 2005

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A complaint was received from Stephen Finley alleging that Ron Hansen, a candidate for re-election to the Shoreline City Council, failed to timely file the 7-day pre-general election C-4 report, an alleged violation of RCW 42.17.080 and .090.

Disposition: Dismissed with the concurrence of the chair.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Cases Scheduled For Hearing

Scheduled for Full Enforcement Hearing:

None.

Reports to Commission:

Pelz, Dwight (45-day Citizen Action Letter)--Case #06-303; Investigator: Kurt Young

Date Received: January 27, 2006

Date Started: January 27, 2006

Section of Law: RCW 42.17.080, .090 & .095

Status: Investigation Complete

Summary: A 45-day Citizen Action Letter was filed by Richard Pope against Dwight Pelz, an incumbent King County Council member who originally filed a C-1 for re-election in 2005, but on March 8, 2004 filed a C-1 for the 2005 election for Seattle City Council. The Citizen Action Letter alleged that Mr. Pelz failed to timely file reports of contribution and expenditure activities undertaken by his King County Council campaign, alleged violations of RCW 42.17.080 and .090, and that he failed to file reports disclosing the disposal of surplus campaign funds, an alleged violation of RCW 42.17.095. A report to the Commission will be made at the February 23, 2006, special Commission meeting.

Disposition: Pending

Scheduled for Brief Enforcement Hearing:

Telling-Poulsen, Soeren– Case #05-116; Investigator: Tony Perkins

Date Received: November 2, 2004

Date Started: November 16, 2004

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A complaint was received from Dave Munro, treasurer for the Campaign to Elect Joe Martin Sheriff, alleging that Soeren Telling-Poulsen, a 2004 candidate for Clallam County Sheriff, failed to timely file contribution and

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

expenditure reports for numerous activities undertaken by his campaign. A brief enforcement hearing has been scheduled for February 22, 2006.

Disposition: Pending